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OF COUNSEL  
WILLIAM G. CONLY

March 27, 2007

Honorable James H. Welsh  
Commissioner of Conservation  
State of Louisiana  
Post Office Box 44275  
Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING

Lower Cotton Valley Formation, Reservoir A; Cotton Valley "D" Zone; Cotton Valley "C" Zone, Reservoir A; and Hosston (Travis Peak) Zone; SLIGO FIELD, Bossier Parish, Louisiana.

Dear Sir:

CHESAPEAKE OPERATING, INC. ("Applicant"), hereby respectfully applies for a public hearing to consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Lower Cotton Valley Formation, Reservoir A; the Cotton Valley "D" Zone; the Cotton Valley "C" Zone, Reservoir A; and to the Hosston (Travis Peak) Zone; all in the Sligo Field, Bossier Parish, Louisiana:

1. To permit applicant to drill, designate and utilize three (3) additional alternate unit wells for HOSS TP SUS, CV C RA SUA, CV D SUW and for LCV RA SUE at the locations shown on the attached plats.

2. To approve exceptions to the spacing provisions of Office of Conservation Order No. 8-B, effective September 1, 1956 (applicable to the Cotton Valley "D" Zone and Hosston [Travis Peak] Zone), Office of Conservation Order No. 8-C, effective September 1, 1958 (applicable to the Cotton Valley "C" Zone, Reservoir A) and Office of Conservation Order No. 8-K, effective October 16, 1990 (applicable to the Lower Cotton Valley Formation, Reservoir A), for the location of any of the proposed wells which does not comply with those spacing provisions.

3. To find that each of the proposed alternate unit wells is necessary to efficiently and economically drain a portion of the unit on which it is proposed to be drilled which cannot be efficiently and economically drained by any existing well on such unit.

4. To approve the downhole combination of production from the Cotton Valley "C" Zone, Reservoir A, the Cotton Valley "D" Zone and the Lower Cotton Valley Formation, Reservoir A, or any combination thereof, in any well drilled on CV C RA SUE, CV D SUCC and LCV RA SUC (said units being shown on an attached plat) in which the ownership interests in these units are identical.

5. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Lower Cotton Valley Formation, Reservoir A, in the Sligo Field, Bossier Parish, Louisiana, was defined in Office of Conservation Order No. 8-K, effective October 16, 1990.

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The Cotton Valley "C" Zone, Reservoir A, in the Sligo Field, Bossier Parish, Louisiana, was defined in Office of Conservation Order No. 8-B-2, effective August 1, 1958.

The Cotton Valley "D" Zone and the Hosston (Travis Peak) Zone in the Sligo Field, Bossier Parish, Louisiana, were defined in Office of Conservation Order No. 8-B, effective September 1, 1956.

Any pertinent data concerning this application will be available for inspection at the offices of Mr. Joe B. Adams, 21010 Vermont Street, Livingston, Louisiana 70754. Any person desiring to inspect any such data should call Mr. Adams at (225) 686-2355 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data which is not otherwise available from the records of the Louisiana Office of Conservation can be obtained from Applicant at the expense of the requesting party.

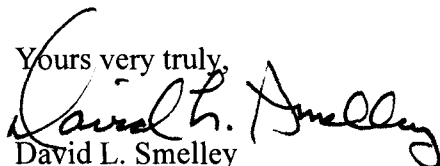
As provided by the Revised Rules of Procedure, the subject matter of this application does not require the issuance of a pre-application notice; therefore, no such notice has been issued.

Pursuant to the aforesaid Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of this letter, and of the five (5) attached plats, is being sent to the District Manager of the Shreveport District of the Office of Conservation and to each of the Interested Owners, Represented Parties and Interested Parties shown on the attached list.

Applicant will provide for posting of a copy of the Legal Notice of this hearing, and of the enclosed plats, at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Sligo Field, all in accordance with the Revised Rules of Procedure. Furthermore, a copy of the Legal Notice will be mailed to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

A check payable to the Office of Conservation and covering the application fee is enclosed.

Yours very truly,



David L. Smelley

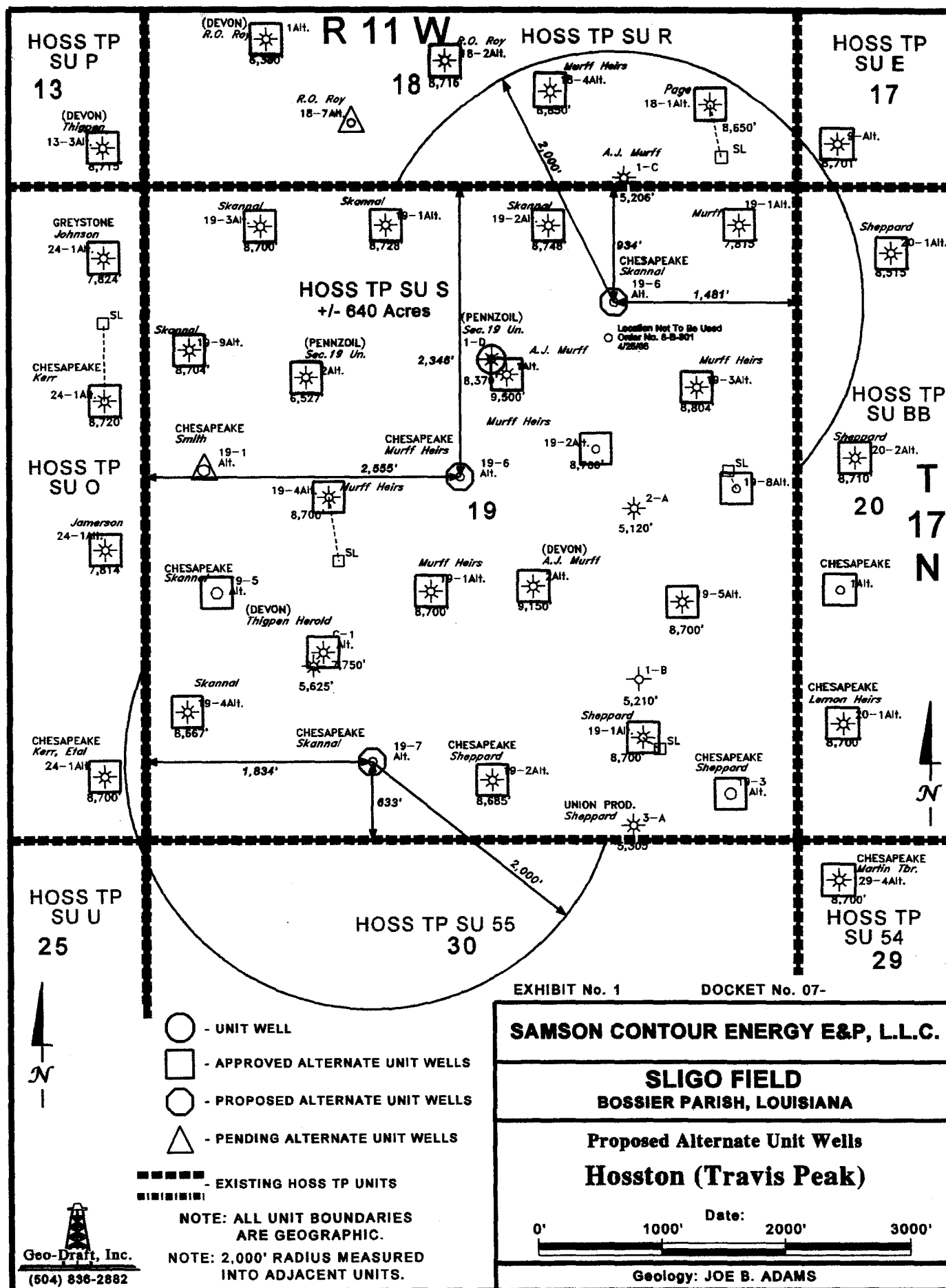
Attorney for Chesapeake Operating, Inc.

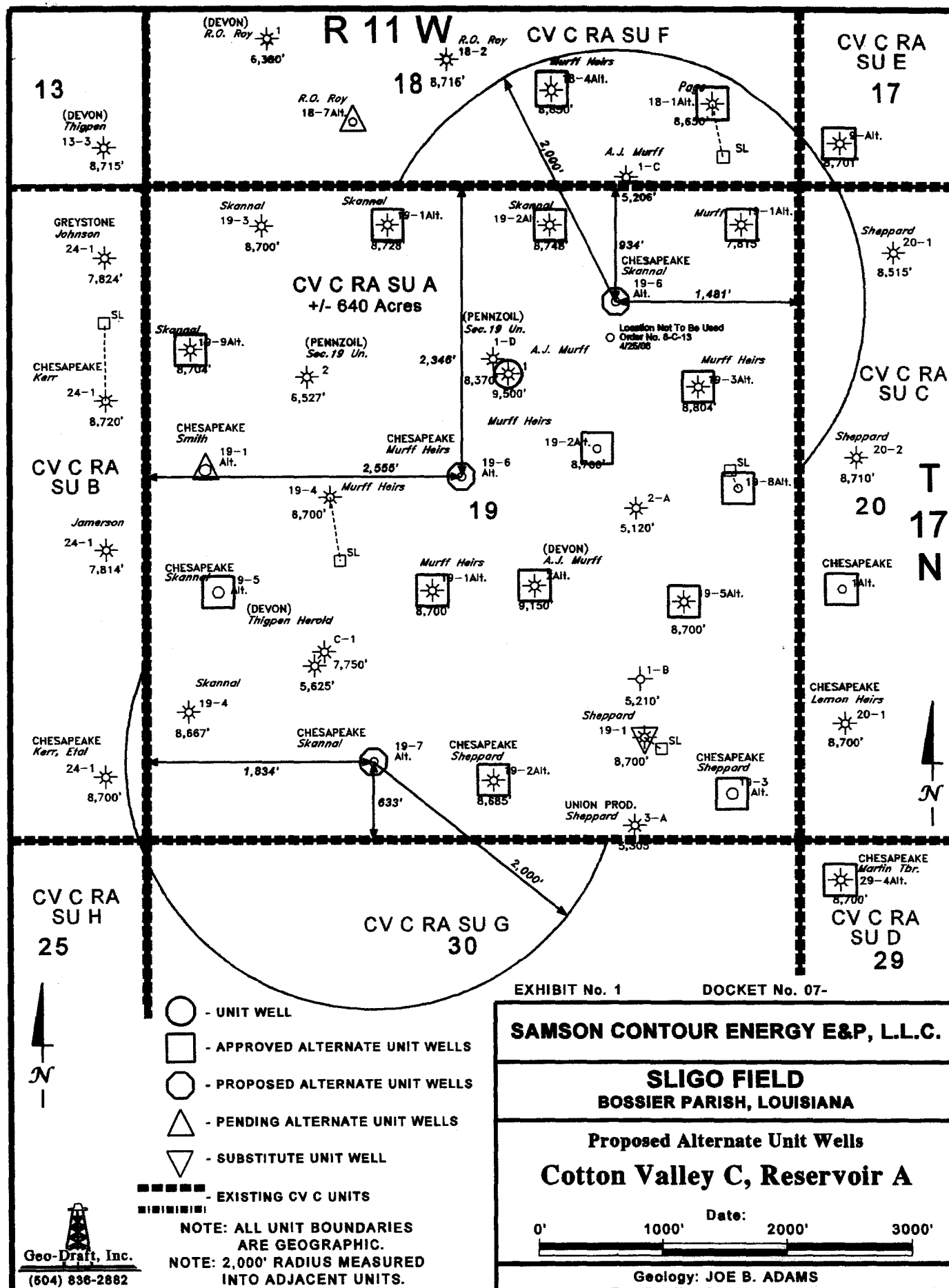
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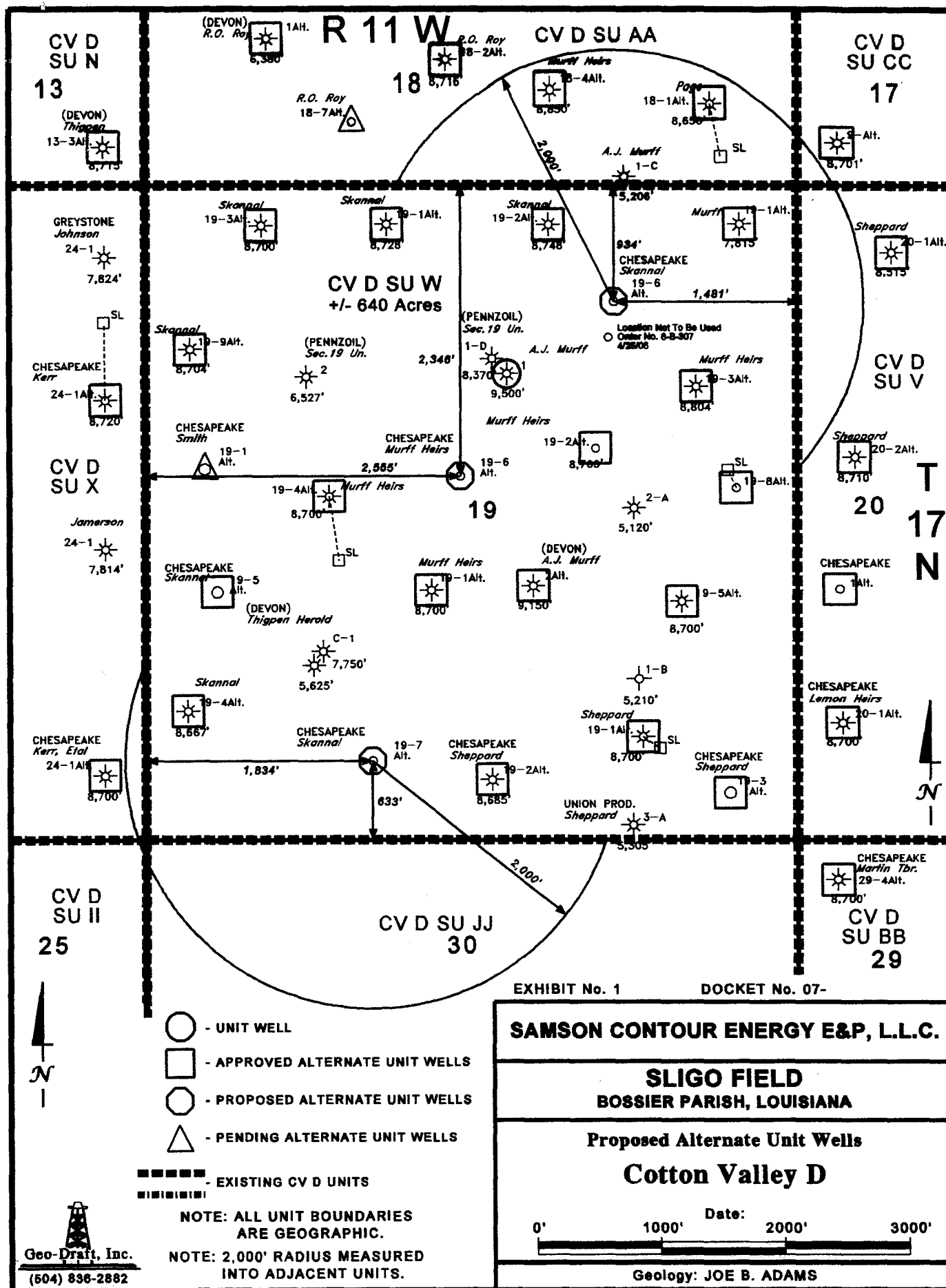
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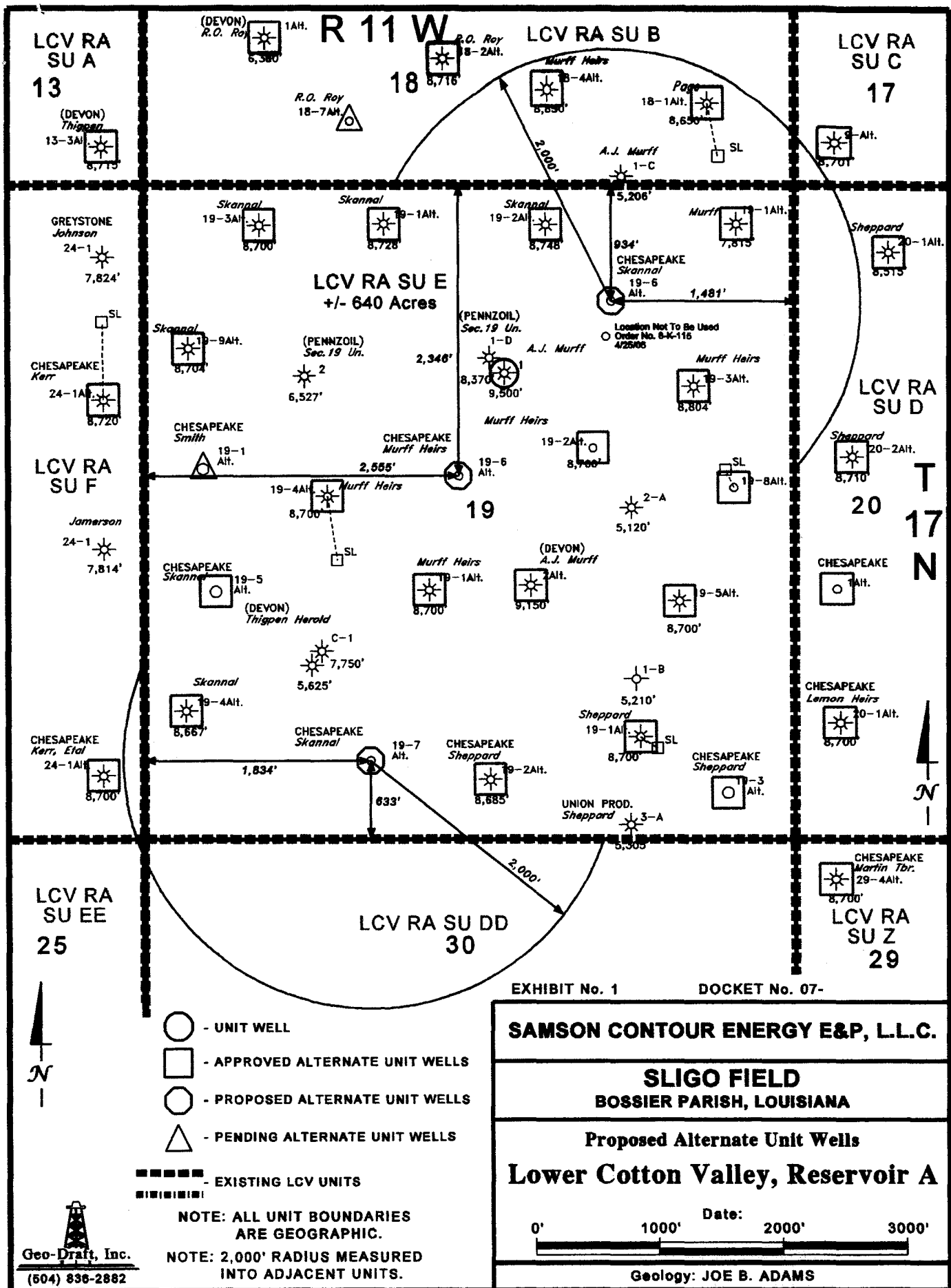
Enclosures

cc: Mr. Jim Broussard (w/encls.)  
Mr. Les Rodman (w/encls.)  
Ms. Judy Arias (w/encls.)  
Mr. Joe Adams (w/encls.)  
Interested Owners, Represented  
Parties and Interested Parties (w/plats only)









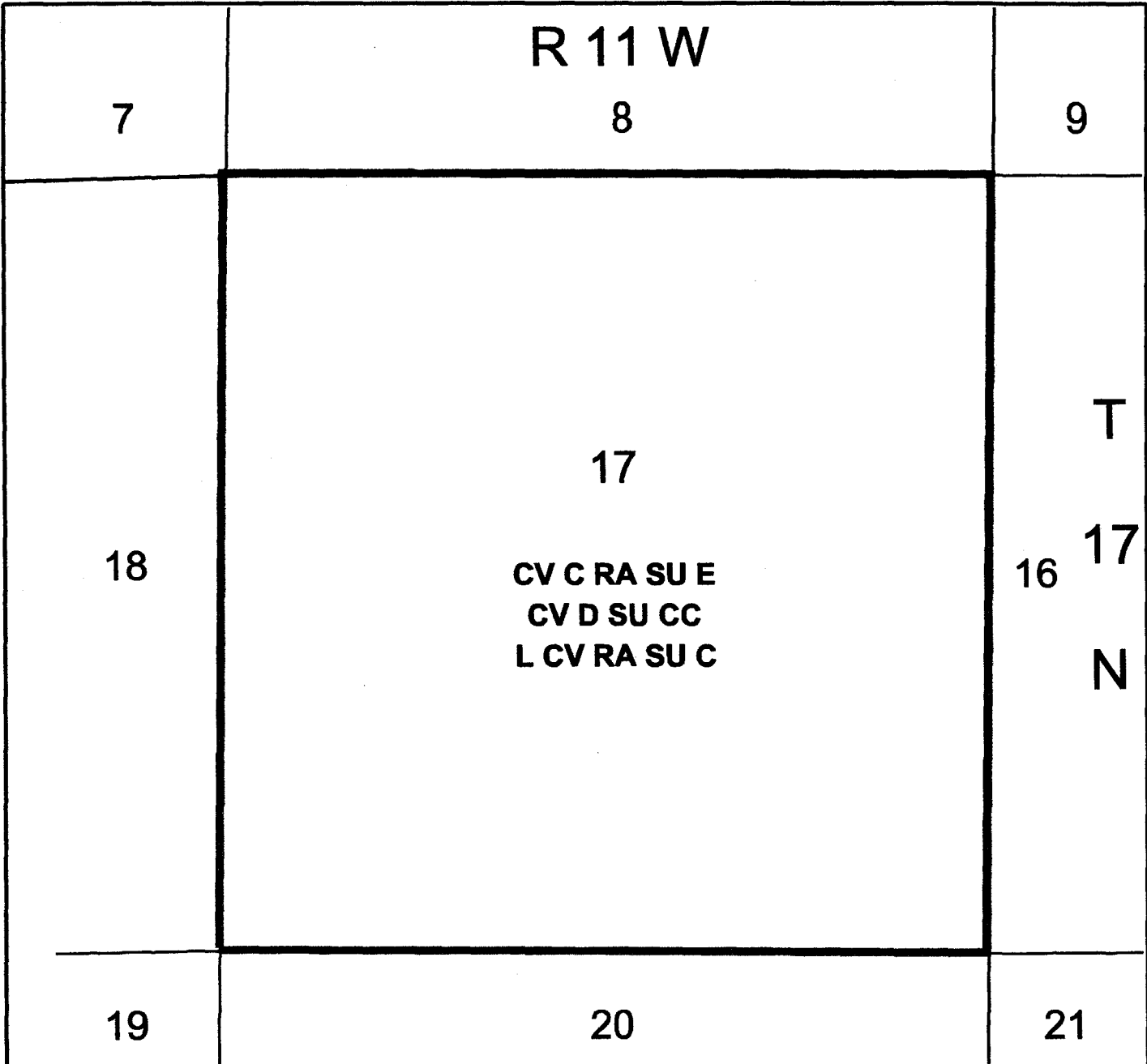


Exhibit No. 1  
Docket No. 07-

<b>Chesapeake Operating, Inc.</b>	
<b>Sligo Field</b> <small>Bossier Parish, Louisiana</small>	
Downhole Combination Plat	
Date: '07	
Joe B. Adams	Consulting Geologist

